



K. Chad Burgess
Assistant General Counsel

chad.burgess@scana.com

June 15, 2010

VIA ELECTRONIC DELIVERY

The Honorable Jocelyn G. Boyd
Interim Chief Clerk/Administrator
Public Service Commission of South Carolina
100 Executive Center, Suite 100
Columbia, South Carolina 29210

RE: South Carolina Electric & Gas Company's Filing of Quarterly Monitoring Report
for the Twelve-Month Period ending March 31, 2010, and Proposed Rate
Adjustments pursuant to the Natural Gas Rate Stabilization Act
Docket No. 2010-____-G

Dear Ms. Boyd:

On April 26, 2005, South Carolina Electric & Gas Company ("SCE&G" or "Company") filed an application pursuant to S.C. Code Ann. § 58-5-240 (1976, as amended) for adjustments in the Company's natural gas rate schedules and tariffs. [See Docket No. 2005-113-G]. In the application, SCE&G elected to have the terms of the Natural Gas Rate Stabilization Act, S.C. Code Ann. § 58-5-400 *et seq.*, apply to the Company's rates and charges for natural gas distribution services thereafter. In accordance with S.C. Code Ann. §§ 58-5-430 and 440 (1976, as amended), SCE&G hereby submits for filing with the Public Service Commission of South Carolina its quarterly monitoring report for the twelve-month period ending March 31, 2010, and proposed adjustments to its rates and charges.

By copy of this letter, and pursuant to S.C. Code Ann. § 58-5-430 and § 58-5-455 (1976, as amended), we are also serving the South Carolina Office of Regulatory Staff with a copy of the enclosed document and attach a certificate of service to that effect.

(Continued . . .)

The Honorable Jocelyn G. Boyd

June 15, 2010

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If you have any questions, please advise.

Very truly yours,


K. Chad Burgess

KCB/kms
Enclosures

cc: Dan F. Arnett
John W. Flitter
Shannon Bowyer Hudson, Esquire
(all via electronic mail and First Class U.S. Mail)

BEFORE
THE PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA
DOCKET NO. 2010-__-G

IN RE:

South Carolina Electric & Gas Company's)
Filing of Quarterly Monitoring Report for)
the Twelve-Month Period ending March 31,)
2010, and Proposed Rate Adjustments)
Pursuant to the Natural Gas Rate)
Stabilization Act.)
_____)

**CERTIFICATE
OF SERVICE**

This is the certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Quarterly Monitoring Report for the Twelve-Month Period ending March 31, 2010 and Proposed Rate Adjustments** via electronic mail and First Class U.S. Mail to the persons named below at the addresses set forth:

Dan F. Arnett
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201
darnett@regstaff.sc.gov

John W. Flitter
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201
jflitter@regstaff.sc.gov

Shannon Bowyer Hudson, Esquire
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201
shudson@regstaff.sc.gov


Karen M. Scruggs

Columbia, South Carolina

This 15th day of June 2010

BEFORE
THE PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA
DOCKET NO. 2010-____ - G

IN RE:

South Carolina Electric & Gas Company's)	
Filing of Quarterly Monitoring Report for)	
the Twelve-Month Period ending March 31,)	QUARTERLY MONITORING REPORT
2010, and Proposed Rate Adjustments)	FOR THE TWELVE-MONTH PERIOD
pursuant to the Natural Gas Rate)	ENDING MARCH 31, 2010, AND
Stabilization Act.)	PROPOSED RATE ADJUSTMENTS
_____)	

Pursuant to S.C. Code Ann § 58-5-430 (Supp. 2009) and § 58-5-440 (Supp. 2009) of the Natural Gas Rate Stabilization Act ("RSA" or "Act"), South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby files with the Public Service Commission of South Carolina ("Commission") its quarterly monitoring report for the twelve-month period ending March 31, 2010, and proposed adjustments to its rates and charges which will have the effect of lowering SCE&G's return on equity to the midpoint of the range of rate of return on common equity as established in the Company's most recent general rate case for natural gas service. [See Docket No. 2005-113-G]. SCE&G respectfully requests that the Commission accept and review the attached documents, and pursuant to S.C. Code Ann. § 58-5-455 (Supp. 2009), issue an Initial Order approving the proposed rate adjustments set forth in this filing on or before October 15, 2010.

In support of this filing, the Company would respectfully show unto this Commission the following key facts and would request of and apply to the Commission for the following relief:

1. Corporate counsel for SCE&G in this proceeding is as follows:

K. Chad Burgess, Esquire
Matthew W. Gissendanner, Esquire
South Carolina Electric & Gas Company
220 Operation Way, Mail Code C222
Cayce, South Carolina 29033
Telephone: 803-217-8141
Facsimile: 803-217-7810
Email: chad.burgess@scana.com
Email: matthew.gissendanner@scana.com

All pleadings, correspondence and communication related to this filing should be addressed to the Company's authorized representatives as stated hereinabove.

2. On April 26, 2005, SCE&G filed an application ("Application"), pursuant to S.C. Code Ann. § 58-5-240 (1976, as amended), for, among other things, approval of adjustments in the Company's natural gas rate schedules and tariffs. [See Docket No. 2005-113-G]. In its Application, SCE&G elected to have the terms of the Act apply to SCE&G's rates and charges for gas distribution services thereafter.

3. All the parties in Docket No. 2005-113-G entered into a settlement agreement ("Settlement Agreement"), which was adopted by the Commission and incorporated into and made part of Commission Order No. 2005-619. [See Order No. 2005-619, Order Exhibit No. 1]. At the conclusion of proceedings in Docket 2005-113-G, the Commission issued Order No. 2005-619 finding, among other things, as follows:

In the Application SCE&G elected to have the rates established in this proceeding come under the Natural Gas Rate Stabilization Act ("RSA"), S.C. Code §§ 58-5-400 *et. seq.* (2005). Pursuant to the RSA Section 58-5-420(1), the Commission is required to specify a range for SCE&G's cost of equity that includes a band of fifty basis points (0.50 percentage points) below and fifty basis points (0.50 percentage points) above the cost of equity on which rates have been set. Based on the stipulations of all Parties in the Settlement, and the cost of equity of 10.25% therein established, the Commission specifies a range of 9.75% to 10.75% as the range

of return on equity to be used in administering the provisions of the RSA for SCE&G until further order.

[See Order No. 2005-619, p.7].

4. In its Application in Docket No. 2005-113-G, SCE&G requested that the Commission make findings related to SCE&G's revenues, expenses, capital structure, returns, and other matters as required by S.C. Code Ann. § 58-5-410 (1976, as amended) and § 58-5-420 (1976, as amended).

5. In Order No. 2005-619, the Commission found as follows:

The RSA at Section 58-5-420(2) requires the Commission to make findings related to specific categories of revenue, expense and investment. All the required findings are set forth in Exhibit C of the Settlement which is incorporated as part of this Order.

[See Order No. 2005-619, p. 7].

6. The Commission has not issued any general rate order concerning SCE&G's gas operations since the issuance of Order No. 2005-619.

7. In accordance with Order No. 2005-619, and pursuant to the requirements of § 58-5-430, attached hereto as Exhibit A is the information contained in Exhibit C of the Settlement Agreement updated for the twelve-month period ending March 31, 2010.

8. In compiling the financial information contained in Exhibit A, SCE&G has made the pro forma and other adjustments to its per books financial data as required by § 58-5-430(2), (3) and (4). A schedule setting forth the details of these pro forma and other adjustments is included in Exhibit A.

9. As indicated in Exhibit A, during the twelve-month period ended March 31, 2010, SCE&G earned a return on its gas distribution operations after pro forma adjustments that was

above the 10.75% upper end of its allowable rate of return range on common equity established in Order No. 2005-619.

10. As required by § 58-5-440(1), Exhibit A contains a calculation indicating the reduction in revenue required to lower SCE&G's rate of return on common equity to the midpoint of the range of 10.25% established in Order No. 2005-619.

11. Attached hereto as Exhibit B are the new rates and charges for gas service which have been designed in such a manner so as to lower the Company's rate of return on common equity to the midpoint of the range of 10.25% as set by the Commission in Order No. 2005-619 and provide SCE&G with an opportunity to earn the midpoint of the range of 10.25%.

12. As required by § 58-5-440, the proposed rates changes contained in Exhibit B conform with the revenue allocation principles set forth in Order No. 2005-619.¹

13. Pursuant to § 58-5-455, SCE&G proposes to implement the rates reflected in Exhibit B for bills rendered on and after the first billing cycle of November 2010.

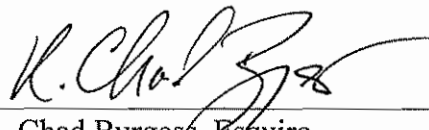
14. In accordance with S.C. Code Ann. § 58-5-430 and § 58-5-455(1) (Supp. 2009), on the same day and by the same means a copy of this filing is being served upon and filed with the South Carolina Office of Regulatory Staff. In addition, the Company is required to simultaneously mail or electronically transmit copies of this filing, including all attachments, to any interested parties who have requested in writing to receive such filing. As of the date hereof, there are no interested parties who have requested in writing that they receive a copy of this filing and therefore none is being provided.

¹ Pursuant to Commission Order No. 2006-679 issued in Docket No. 2006-5-G, the Company may adjust the cost of gas factor monthly, under the standards and procedures of that order as modified by Commission Order No. 2009-910 issued in Docket No. 2009-5-G. Any such adjustments, however, will not have any impact on this RSA filing or otherwise affect the Company's base rates.

there are no interested parties who have requested in writing that they receive a copy of this filing and therefore none is being provided.

WHEREFORE, SCE&G respectfully requests that the Commission (i) accept and review the Company's quarterly monitoring report for the twelve-month period ended March 31, 2010, (ii) on or before October 15, 2010, issue an Initial Order approving SCE&G's adjustments to its rates and charges, and (iii) grant such other and further relief as is just and proper.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "K. Chad Burgess", is written over a horizontal line.

K. Chad Burgess, Esquire
Matthew W. Gissendanner, Esquire
South Carolina Electric & Gas Company
220 Operation Way, Mail Code C222
Cayce, South Carolina 29033
Telephone: 803-217-8141
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Email: matthew.gissendanner@scana.com

Attorneys for
South Carolina Electric & Gas Company

Cayce, South Carolina
June 15, 2010

South Carolina Electric & Gas Company
Operating Experience - Total Gas
For the Test Year Ended March 31, 2010

Description	Per Regulatory Books	Accounting & Pro Forma Adjustments	As Adjusted	Total Proposed Increase/(Decrease)	Total After Proposed Increase/(Decrease)
Operating Revenues	\$ 445,426,263	\$ 4,399,846	\$ 449,826,109	\$ (10,094,457)	\$ 439,731,652
Operating Expenses:					
O&M Expenses - Cost of Gas	291,250,710	-	291,250,710		291,250,710
O&M Expenses - Other	61,674,108	(463,923)	61,210,185		61,210,185
Dep. & Amort. Expenses	21,895,499	511,246	22,406,745		22,406,745
Taxes Other Than Income	17,160,515	971,489	18,132,004	(49,968)	18,082,037
Total Income Taxes	14,331,079	385,259	14,716,338	(3,841,950)	10,874,388
Total Operating Expenses	406,311,912	1,404,071	407,715,983	(3,891,918)	403,824,065
Total Operating Income	39,114,351	2,995,775	42,110,126	(6,202,539)	35,907,586
Customer Growth	529,589	40,561	570,150	(83,979)	486,171
Interest on Customer Deposits	(157,035)	-	(157,035)		(157,035)
Net Income for Return	39,486,905	3,036,336	42,523,240	(6,286,518)	36,236,722
Rate Base:					
Gross Plant in Service	787,836,815	(56,042)	787,780,773		787,780,773
Reserve for Depreciation	311,986,084	132,830	312,118,914		312,118,914
Net Plant in Service	475,850,731	(188,872)	475,661,859		475,661,859
Construction Work in Process	10,555,901	(712,117)	9,843,784		9,843,784
Accum. Deferred Income Taxes	(82,327,935)	-	(82,327,935)		(82,327,935)
Environmental Costs	6,378,131	-	6,378,131		6,378,131
OPEB's	(11,196,466)	(48,526)	(11,244,992)		(11,244,992)
Reg. Asset for Unrcvrd PAP	481,239	-	481,239		481,239
Injuries & Damages	(477,666)	-	(477,666)		(477,666)
Materials & Supplies	38,268,110	-	38,268,110		38,268,110
Total Working Capital	7,709,264	(57,990)	7,651,273		7,651,273
Prepayments	11,614,396	-	11,614,396		11,614,396
Average Tax Accruals	(7,229,094)	-	(7,229,094)		(7,229,094)
Customer Deposits	(6,707,861)	-	(6,707,861)		(6,707,861)
Total Rate Base	442,918,750	(1,007,505)	441,911,245	-	441,911,245
Rate of Return	8.92%		9.62%		8.20%
Return on Equity	11.60%		12.92%		10.25%

SCE&G
Weighted Cost of Capital
As of March 31, 2010

Description	Pro Forma Capital Structure	Pro Forma Ratio	Rate Base	Embedded Cost/Return	Overall Cost/Return	Income For Return
Long-Term Debt	\$ 2,865,425,000	46.64%	\$ 206,127,924	5.86%	2.73%	\$ 12,079,096
Common Equity	3,277,670,526 (1)	53.36%	235,783,320	10.25%	5.47%	24,157,626
Totals	\$ 6,143,095,526	100.00%	\$ 441,911,245		8.20%	\$ 36,236,722

(1) Pro Forma Capital Structure includes equity issuances planned through June 2010.

SOUTH CAROLINA ELECTRIC & GAS COMPANY
For the Test Year Ended March 31, 2010

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPR. & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 6.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPR	CWIP	OPEB'S	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	233,091			1,154	11,597	77,119					-
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		263,248		18,678	(14,096)	(93,740)					32,906
3	NORMALIZE INCENTIVE COMPENSATION		(1,170,556)		(75,845)	62,320	414,428					(146,320)
4	REMOVE EMPLOYEE CLUBS		(74,322)	(15,849)		4,509	29,982	(530,363)	(156,469)	-		(9,290)
5	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES					-	-	(237,796)	(237,796)			-
6	RECOGNIZE PROPERTY ADDITIONS/ADJUSTMENTS, PLANT IN SERVICE					-	-	712,117		(712,117)		-
7	ANNUALIZE DEPRECIATION- ADJUST RESERVE			184,496		(9,225)	(61,345)		184,496			-
8	ANNUALIZE PROPERTY TAXES				1,006,877	(50,344)	(334,787)					-
9	CUSTOMER AWARENESS CAMPAIGN EXPENSES		141,342			(7,067)	(46,996)					17,668
10	REMOVE PENSION INCOME		359,971			(17,999)	(119,690)					44,996
11	ANNUALIZE APPROVED REVENUE INCREASE - ORDER NO. 2009-723	4,166,755			20,625	207,306	1,378,588					-
12	HEALTH CARE		(82,118)			4,106	27,304					(10,265)
13	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		78,585			(3,929)	(26,130)				(48,526)	9,823
14	ANNUALIZE INSURANCE EXPENSE		19,927			(996)	(6,626)					2,491
15	ANNUALIZE EFFECT OF NEW DEPRECIATION STUDY			342,599		(17,130)	(113,914)		342,599			-
16	EIZ TAX CREDITS					(1,413,160)	494,640					-
17	TAX EFFECT OF ANNUALIZED INTEREST					1,377	9,157					-
	TOTAL ADJUSTMENTS	4,399,846	(463,923)	511,246	971,489	(1,242,731)	1,627,990	(56,042)	132,830	(712,117)	(48,526)	(57,990)

**South Carolina Electric & Gas Company
Computation of Proposed Increase
For the Test Year Ended March 31, 2010**

Line No.	Description	Requested
	(Col. 1)	(Col. 2)
1	Jurisdictional Rate Base	441,911,245
2	Required Rate of Return	<u>8.20%</u>
3	Required Return	36,236,722
4	Actual Return Earned	<u>42,523,240</u>
5	Required Increase to Return	(6,286,518)
6	Factor to Remove Customer Growth	<u>1.0135395</u>
7	Additional Return Required from Revenue Increase	(6,202,539)
8	Composite Tax Factor	<u>0.61445</u>
9	Required Revenue Increase	<u>(10,094,457)</u>
10	Proposed Revenue Increase	<u>(10,094,457)</u>
	Additional Expenses	
11	Gross Receipts & PSC Support Tax @ .495%	(49,968)
12	State Income Tax @ 5%	(502,224)
13	Federal Income Tax @ 35%	<u>(3,339,726)</u>
14	Total Taxes	<u>(3,891,918)</u>
15	Additional Return	(6,202,539)
16	Additional Customer Growth	<u>(83,979)</u>
17	Total Additional Return	(6,286,518)
18	Earned Return	<u>42,523,240</u>
19	Total Return as Adjusted	36,236,722
20	Rate Base	441,911,245
21	Rate of Return	8.20%

South Carolina Electric & Gas Company
Weighted Cost of Capital
As of March 31, 2010

Description	Pro Forma Capital Structure	Pro Forma Ratio	Regulatory Per Books			As Adjusted			After Proposed Increase		
			Rate Base	Embedded Cost/Return	Overall Cost/Return	Income For Return	Rate Base	Embedded Cost/Return	Overall Cost/Return	Income For Return	Income For Return
Long-Term Debt	\$ 2,865,425,000	46.64%	206,597,871	5.86%	2.73%	\$ 12,106,635	206,127,924	5.86%	2.73%	\$ 12,079,096	\$ 12,079,096
Common Equity	3,277,670,526 (1)	53.36%	236,320,879	11.60%	6.19%	27,380,270	235,783,320	12.92%	6.89%	30,444,144	24,157,626
Totals	\$ 6,143,095,526	100.00%	\$ 442,918,750		8.92%	\$ 39,486,905	\$ 441,911,245		9.62%	\$ 42,523,240	\$ 36,236,722

(1) Pro Forma Capital Structure includes equity issuances planned through June 2010.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

PROPOSED RATES

Rate 31	Small Firm General Service
Rate 32 Value	Residential Value Service
Rate 32 Standard	Residential Standard Service
Rate 33	Medium Firm General Service
Rate 34	Large General Service
Rate 35	Firm Transportation and Standby Service
Rate 36	Gas Lighting
Rider to Rates 31, 32V, 32S, 33 and 34	Service for Air Conditioning
Weather Normalization Adjustment	Adjustment Determination

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 31

GENERAL SERVICE

AVAILABILITY

Available only to those customers having firm requirements on a peak day of less than 500 therms and using the Company's service for general commercial, industrial, agricultural, religious or charitable purposes. Only for residential where more than one dwelling unit is supplied through one meter. It is not available for resale.

RATE PER MONTH

Basic Facilities Charge:	November - April	\$20.96	\$18.98
	May - October	\$16.79	\$14.81

Plus Commodity Charge:

All therms @ **\$-1.14462** **\$ 1.12693** per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 dekatherm = 10 therms). The amount per dekatherm will be determined by multiplying the above by 10.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on BTU ratings of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.65577 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. The peak day requirement contained in the Availability will be determined in the same manner as the determination of the category for curtailment of retail customers. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 32V

RESIDENTIAL VALUE SERVICE

(Page 1 of 2)

AVAILABILITY

This rate schedule is only available to residential customers that meet the special provisions as listed below and are using the Company's service in individually metered private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a central heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of this rate.

RATE PER MONTH

Basic Facilities Charge: **\$40.50** **\$10.50**

Plus Commodity Charge:

All Therms @ **\$4.46207** **\$ 1.09206** per therm

SPECIAL PROVISIONS

1. This rate schedule is available to those accounts where there is an average usage of at least 10 therms during the billing months of June, July and August. The average usage is derived by combining the therm usage for each of the billing months previously listed and dividing by three.
2. Therm usage during a billing month of other than 30 days, used to determine eligibility under this rate schedule, shall be adjusted to a 30 day billing period by application of a fraction, the numerator of which shall be 30 and the denominator of which shall be the actual number of days in the billing period.
3. The calculation as described in 1. above will be performed annually for each residential account. Accounts not meeting the standards of Rate 32V will be placed on Rate 32S beginning with the billing month of November of each year.
4. Availability of this rate schedule for new premises will be based on reasonably anticipated base load usage. Availability of this rate schedule for new accounts at existing premises will be based on the previous account's usage. If this usage is unavailable, the customer will be initially placed on Rate 32S Residential Standard Service.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on the BTU rating of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 32V

RESIDENTIAL VALUE SERVICE
(Page 2 of 2)

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.69877 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 32S

RESIDENTIAL STANDARD SERVICE

AVAILABILITY

This rate schedule is only available to residential customers that are not eligible for rate schedule 32V Residential Value Service and are using the Company's service in individually metered private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a central heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of this rate.

RATE PER MONTH

Basic Facilities Charge:	November - April	\$10.50	\$10.50
	May - October	\$10.50	\$10.50

Plus Commodity Charge:

All Therms @ ~~\$4.24207~~ \$ 1.15206 per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

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Gas used for lighting will be determined based on the BTU rating of fixtures installed and will be billed the commodity charges listed above.

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To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 33

MEDIUM GENERAL SERVICE

AVAILABILITY

Available only to those customers using the Company's service for firm general commercial, industrial, agriculture, religious or charitable purposes and for residential where more than one dwelling unit is supplied through one meter. Also, this rate schedule is only available where there is an average usage of at least 130 therms during the billing months of June, July and August. The average usage is derived by combining the therm usage for each of the billing months previously listed and dividing by three. It is not available for resale.

RATE PER MONTH

Basic Facilities Charge:	\$27.55	\$25.57
Plus Commodity Charge:		
All Therms @	\$4.09462	\$ 1.07693 per therm

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to the commodity charges for the billing months of November-April above will be made in accordance with the Weather Normalization Adjustment.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1 dekatherm = 10 therms). The amount per dekatherm will be determined by multiplying the above by 10.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

UNMETERED GAS LIGHTING PROVISION

Gas used for lighting will be determined based on BTU ratings of fixtures installed and will be billed the commodity charges listed above.

SEASONAL BLOCK CHARGE

A charge will apply for customers who disconnect service and subsequently request reconnection of service at the same premise within a 12 month period. This is commonly referred to as seasonal block. The charge will be based on the number of months the customer is disconnected times the basic facilities charge as stated above. In determining the months of disconnection, any number of days disconnected within a month constitutes a whole month of disconnection. If reconnection is requested to be performed after normal business hours, an additional charge of \$20.00 will be added to the charges as calculated above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.65577 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location. No contract shall be written for less than twelve (12) months.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 34

LARGE GENERAL SERVICE

AVAILABILITY

Available only to those customers having firm requirements and a maximum daily quantity (MDQ) of at least 50 Dekatherms or greater and using the Company's service for industrial manufacturing or large commercial operations. It is not available for resale service.

MAXIMUM DAILY QUANTITY (MDQ)

The actual MDQ shall be the greatest amount of gas delivered to the customer during any day (10:00 a.m. to 10:00 a.m.) of the current billing month.

RATE PER MONTH

Monthly Demand Charge:

First	50 Dekatherms @	\$579.50	\$553.00	
	Excess over 50 Dekatherms @	\$7.74	\$7.21	per Dekatherm
Commodity Charge @		\$ 9.2324	\$ 9.1506	per Dekatherm

DETERMINATION OF BILLING DEMAND

(a) Billing Months of November-April:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.

(b) Billing Months of May-October:

The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) 50% of the contract MDQ; or (3) 50% of the highest MDQ occurring during any of the preceding billing months of November-April; or (4) 50 Dekatherms.

MINIMUM CHARGE

The monthly minimum charge shall be the demand charge as determined above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$7.6917 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Service hereunder shall be provided under a written contract, with a minimum initial term of one year with automatic extensions, unless terminated by either party in accordance with the terms of contract. In the event of a default to the contract, this rate schedule and the General Terms and Conditions will constitute a contract for a term of six months. A separate written contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 35

TRANSPORTATION AND STANDBY SERVICE

(Page 1 of 2)

AVAILABILITY

Transportation service is available to any customer who has firm requirements of 50 Dekatherms Maximum daily Quantity (MDQ) or greater and, who owns and delivers gas to the Company at an acceptable point of connection, for delivery by the Company to the customer's regular point of service.

Service will be supplied at the best efforts of the Company and may be restricted from time to time due to operating limitations on the Company's system or from third party restrictions. In the event of such limitations, the transportation service is subordinate to service under all other rate schedules and may be curtailed or interrupted, normally upon not less than two hours advance notice, or, when necessitated by conditions affecting the Company's gas system, upon less than two hours advance notice.

RATE PER MONTH

Transportation Service

Monthly Demand Charge:

First	50 Dekatherms @	\$679.50	\$553.00	
Excess over	50 Dekatherms @	\$7.74	\$7.21	per Dekatherm
Commodity Charge @		\$ 1.5417	\$ 1.4602	per delivered Dekatherm

DETERMINATION OF BILLING DEMAND

- (a) **Billing Months of November-April:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.
- (b) **Billing Months of May-October:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) 50% of the contract MDQ; or (3) 50% of the highest MDQ occurring during any of the preceding billing months of November-April; or (4) 50 Dekatherms.

Standby Service

In addition to the demand charges for transportation service the following charges will apply for gas supplied by the Company.

- (a) **Billing Months of November-April:**
The monthly billing demand shall be the greatest of: (1) The actual MDQ; (2) The contract MDQ; or (3) 50 Dekatherms.
- | | | | |
|--------------------|----------------------|------------------|---------------|
| Demand Charge @ | \$6.00 | \$6.00 | per Dekatherm |
| Commodity Charge @ | \$ 9.2324 | \$ 9.1506 | per Dekatherm |
- (b) **Billing Months of May-October:**
- | | | | |
|--------------------|----------------------|------------------|---------------|
| Demand Charge @ | None | None | |
| Commodity Charge @ | \$ 9.2324 | \$ 9.1506 | per Dekatherm |

MINIMUM CHARGE

The monthly minimum charge shall be the demand charges as determined above.

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$7.6917 per dekatherm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

DELIVERED GAS QUANTITY

When separate metering is not feasible, the Company shall assume for billing purposes, unless otherwise agreed to, that such metered volumes reflect deliveries under this rate schedule prior to gas received under any other rate schedule.

The quantity of transportation gas received into the Company's system for the customer's account to be delivered to the customer by the Company shall be reduced by 3% in measurement for line loss and unaccounted for gas.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 35

TRANSPORTATION AND STANDBY SERVICE

(Page 2 of 2)

DELIVERED GAS QUANTITY

The volume of gas received on a daily basis for customer's account may not equal the volume, less shrinkage, delivered to the customer. The result will be deemed an imbalance. Customer's account will be reviewed at the end of each month, or on termination of Transportation Service or curtailment or discontinuance thereof. If the imbalance is such that the customer has received more gas than was delivered to the Company during the period under review, customer shall be billed for such as standby service. If the imbalance is such that the customer has received less gas than was delivered to the Company, the Company may exercise one of two options, in its sole discretion. The Company may: (1) deliver the excess gas to the customer, over the next calendar month succeeding the review, at such times as the Company shall determine in its sole discretion; or (2) buy excess gas at Company's lowest delivered purchase price in that month from any of Company's suppliers.

LIABILITY

The Company shall not be liable for curtailment of service under this rate schedule or loss of gas of the customer as a result of any steps taken to comply with any law, regulation, or order of any governmental agency with jurisdiction to regulate, allocate or control gas supplies or the rendition of service hereunder, and regardless of any defect in such law, regulation, or order.

Gas shall be and remain the property of the customer while being transported and delivered by the Company. The customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.

The Company shall not be liable for any loss to the customer arising from or out of service under this rate schedule, including loss of gas in the possession of the Company or any other cause, except gross or willful negligence of the Company's own employees or agents. The Company reserves the right to commingle gas of the customer with other supplies.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

The customer shall execute an Agreement of Service with the Company which shall specify the maximum daily volume of gas to be transported, the period of time that the Company will receive such gas, and all conditions under which delivery to the Company will be accepted and delivery to the customer will be made. The customer must provide the Company with all necessary documentation of ownership and authorization required by any regulatory body with jurisdiction.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

ANNUAL NOMINATION

Customers must elect to receive a) Transportation Service only, b) Transportation Service with Standby Service, or c) Standby Service only for each applicable period. Such elections must be made to the Company in writing by October 15th of each year to be effective for each month during the period November 1st to October 31st following. New customers under this tariff shall elect volumes at the time their service contract becomes effective. If no prior election has been made then the customer will receive Standby Service only. If any customer fails to make a timely election, then the prior period election will carry over for the following period. All elections shall be binding for the duration of the November 1st to October 31st period and may not be revoked, suspended or modified by the Customer.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RATE 36

GAS LIGHTING

AVAILABILITY

EFFECTIVE FOR BILLS RENDERED ON AND AFTER THE FIRST BILLING CYCLE OF NOVEMBER 2005 THIS SCHEDULE IS CLOSED AND NOT AVAILABLE TO ANY NEW STRUCTURE OR APPLIANCE.

RATE

All lighting service where fixtures are mounted on Company's ornamental poles which are a part of Company's distribution system will be charged for at the following rate per light.

<u>SIZE</u>	<u>Lamp Charges per Month</u>		<u>Average Therms Usage per Month</u>
Two Mantle fixture complete	\$21.53	\$21.53	15
Three Mantle fixture complete	\$28.10	\$28.10	22
Four Mantle fixture complete	\$34.88	\$34.88	29

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.69877 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

TERM OF CONTRACT

Service hereunder shall be provided under written contract, with the initial term of contract of five years and, there after, for one-year periods until terminated by either party on ninety days written notice.

SPECIAL PROVISIONS

The company will furnish, erect, operate and maintain all necessary equipment in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between such non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RIDER TO RATES 31, 32V, 32S, 33 AND 34

SERVICE FOR AIR CONDITIONING

(Page 1 of 2)

AVAILABILITY

EFFECTIVE FOR BILLS RENDERED ON AND AFTER THE FIRST BILLING CYCLE OF NOVEMBER 2005 THIS SCHEDULE IS CLOSED AND NOT AVAILABLE TO ANY NEW APPLIANCE.

This rider is available to those customers which have installed and are regularly operating a gas-fired central air cooling system or have installed and are regularly operating a gas-fired central combination air cooling and heating system. Service under this rider shall be available subject to the specifications below at customer's request and with Company certification of customer's installed gas-fired central air cooling system or gas-fired central combination air cooling and heating system. It is not available for resale service. At the company's discretion, service offered under this rider may be limited and applied only to those customers currently receiving service under this rider.

INDUSTRIAL AND COMMERCIAL, RATES 31, 33 AND 34

METERING

The volume of gas used for service under this rider will be determined by separate metering equipment installed by the Company. All costs associated with the separate metering are borne by the customer.

Available to those customers qualifying for service under General Service Rates 31 & 33.

SPECIFICATION A - Customer with gas-fired cooling systems.

**RATE PER MONTH
(All Months)**

Basic Facilities Charge:	\$18.88	\$16.90
Commodity Charge:		
All therms @	\$-0.75498	\$ 0.75498 per therm

ADJUSTMENTS FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.65577 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

SPECIFICATION B - Customer with gas-fired Central combination air cooling and heating systems.

**RATE PER MONTH
(During the Billing Months of May through October)**

Basic Facilities Charge:	\$18.88	\$16.90
Commodity Charge:		
All therms @	\$-0.75498	\$ 0.75498 per therm

ADJUSTMENTS FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.65577 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1Dekatherm = 10 therms). The amount per Dekatherm will be determined by multiplying the above rates by 10.

Available to those customers qualifying for service under Large General Service Rates 34.

Rate 34G - Customer with gas-fired Central combination air cooling and heating systems.

**RATE PER MONTH
(All Months)**

Commodity Charge:		
All therms @	\$-0.95738	\$ 0.95738 per therm

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.76917 per therm. These charges are subject to adjustment by order of the Public Service Commission of South Carolina.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GAS

RIDER TO RATES 31, 32V, 32S, 33 AND 34

SERVICE FOR AIR CONDITIONING

(Page 2 of 2)

DEKATHERM BILLING

Customers that have installed chart metering facilities may be billed on a per Dekatherm basis (1Dekatherm = 10 therms). The amount per Dekatherm will be determined by multiplying the above rates by 10.

RESIDENTIAL RATES 32V & 32S

Available only to residential customers qualifying for service under Firm Residential Service Rate 32V & 32S and having a gas-fired central air cooling system or gas-fired central combination air cooling and heating system using the Company's service in private residences. For apartments or multi-family structures having not more than two (2) dwelling units, gas service for a gas-fired central air cooling system or a gas-fired central combination air cooling and heating system for the entire building may be included in the account of one of the dwelling units. All gas service supplied to the second dwelling unit will be separately metered to comply with the provisions of Rate 32V & 32S.

SPECIFICATION B - Customer with gas-fired central combination air cooling and heating systems.

RATE PER MONTH

(All Months)

Basic Facilities Charge:	\$10.50	\$10.50
Commodity Charge:		
All therms @	\$0.86757	\$0.86757 per therm

ADJUSTMENT FOR RECOVERY OF GAS COSTS

The commodity charges above include gas costs of \$0.69877 per therm and are subject to adjustment by order of the Public Service Commission of South Carolina.

WEATHER NORMALIZATION ADJUSTMENT

An adjustment to commodity charges for the billing months of November - April will be made in accordance with the Weather Normalization Adjustment.

GENERAL

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERMS OF CONTRACT

Contracts shall run continuously from time service is commenced at each location until service to customer is permanently disconnected. A separate contract shall cover each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010

SOUTH CAROLINA ELECTRIC & GAS COMPANY WEATHER NORMALIZATION ADJUSTMENT

APPLICABILITY

This Weather Normalization Adjustment (WNA) is applicable to and is a part of the Company's firm gas rate schedules 31, 32V, 32S, and 33. The commodity charges per therm for each customer account during the billing months of November through April will be increased or decreased in an amount to the nearest one-thousandth of a cent, as derived by the following formula:

$$WNA = \frac{WSL \times R}{ATH - BTH}$$

$$\text{Where: } WSL = \frac{ATH - BTH}{ADD} \times (NDD - ADD)$$

WNA = Weather Normalization Adjustment factor for a particular account expressed in dollars per therm.

WSL = Weather Sensitive Load which is the difference in the amount of therms that would have been consumed by the customer during normal weather and the amount of therms actually consumed.

R = Approved rate less cost of gas for applicable rate schedule determined as follows:

Rate 32V		Rate 32S	
R=\$0.466	R= \$0.39599	R=\$0.546	R= \$ 0.45599
Rate 31		Rate 33	
R=\$ 0.49435	R= \$ 0.47366	R=\$ 0.44435	R= \$ 0.42366

ATH = Actual therms consumed by customer during current billing period.

BTH = Base load therms which is the average of the therms consumed by customer during the previous billing months of June, July and August. If BTH is greater than ATH, then BTH will equal to ATH. If base load therms cannot be determined, then base load therms will be as follows:

Rate 32V = 18 therms	Rate 32S = 4 therms
Rate 31 = 19 therms	Rate 33 = 739 therms

NDD = Normal heating degree days during customer's billing period authorized by the Commission.

ADD = Actual heating degree days during customer's billing period.

The appropriate revenue related tax factor is to be included in these calculations.

Effective For Bills Rendered On and After the 1st Billing Cycle of November 2010